

BILL NO. 96-30 (As Amended)

COUNTY COUNCIL

OF

HARFORD COUNTY, MARYLAND

BILL NO. 96-30 (As Amended)

Introduced by Council President Parrott at the request of the County Executive

Legislative Session Day No. 96-16

Date: May 21, 1996

AN ORDINANCE to authorize and empower Harford County, Maryland to borrow, on its full faith and credit, and issue and sell its bonds or other form of indebtedness therefor, in an amount not to exceed One Million Seven Hundred Eight Thousand Seven Hundred Dollars (~~\$1,700,000~~1,708,700) principal amount, the proceeds thereof to be used for the study, design and expansion, reconstruction, rehabilitation, renovation and improvement of the Whiteford-Cardiff Sewer project as described in the Annual Budget and Appropriation Ordinance, as amended, Bill No. 93-20, for the year ended June 30, 1994 and Bill No. 95-22 for the year ending June 30, 1996 and Bill No. 96-20 for the year ending June 30, 1997 and as described in this Ordinance (collectively the "Project") in accordance with Section 524

By the Council, May 21, 1996

Introduced, read first time, ordered posted and public hearing scheduled

on: June 20, 1996

at: 7:00 p.m. - North Harford High School

By Order: James D. Vannoy, Acting Secretary

PUBLIC HEARING

Having been posted and notice of time and place of hearing and title of Bill having been published according to the Charter, a public hearing was held on June 20, 1996, and concluded on June 20, 1996.

James D. Vannoy, Acting Secretary

EXPLANATION:

CAPITALS INDICATE MATTER ADDED TO EXISTING LAW. [BRACKETS] indicate matter deleted from existing law. Underlining indicates language added to Bill by amendment. Language lined through indicates matter stricken out of Bill by amendment.

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of the Charter of Harford County ("Charter") and Section 123-40 of the Code of Harford County ("Code") or as otherwise permitted by law; authorizing the County Council of Harford County, Maryland to adopt an administrative resolution that shall provide for the form of instrument by which any indebtedness or financing obligation is to be evidenced, the manner by which any indebtedness, line of credit, financing lease or similar obligation may be secured, the rate(s) of interest to be paid, and generally for such other matters as may be deemed appropriate by the County Council of Harford County, Maryland in connection herewith; and authorizing the County Executive of Harford County, Maryland by Executive Order, to determine the form of various documents as are necessary to implement the financing authorized herein, the manner of issuance and delivery of any evidences of indebtedness, the payment of all

By the Council, _____

Introduced, read first time, ordered posted and public hearing scheduled

on: _____

at: _____

By Order: _____, Acting Secretary

PUBLIC HEARING

Having been posted and notice of time and place of hearing and title of Bill having been published according to the Charter, a public hearing was held on _____, and concluded on _____.

_____, Acting Secretary

EXPLANATION:

CAPITALS INDICATE MATTER ADDED TO EXISTING LAW. [BRACKETS] indicate matter deleted from existing law. Underlining indicates language added to Bill by amendment. Language lined through indicates matter stricken out of Bill by amendment.

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necessary expenses in connection therewith, the method by which such evidences of indebtedness shall be sold, maturity schedule, redemption provisions, authorizing the appointment of certain agents; and otherwise generally relating to the issuance, sale, delivery and payment of any such evidences of indebtedness or financing obligations; providing that such indebtedness shall be issued upon the full faith and credit of Harford County, Maryland; providing for the issuance of bond anticipation notes upon passage of a resolution by the County Council of Harford County, Maryland approving the interest rate or rates on said bond anticipation notes for all or a portion of the projects described herein, for which the proceeds of sale of the bond anticipation notes shall be used; providing that within twelve (12) months after the issuance of the bond anticipation notes, or any renewal thereof, the County Council of Harford County, Maryland shall

By the Council, _____

Introduced, read first time, ordered posted and public hearing scheduled

on: _____

at: _____

By Order: _____, Acting Secretary

PUBLIC HEARING

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_____, Acting Secretary

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authorize the issuance of bonds to pay said bond anticipation notes; providing for disbursement of the proceeds of the sale of such bonds and for the levying of charges, assessments and all taxes necessary to provide payment of the principal of and interest on such bonds; providing that certain additional matters may be determined by resolution of the County Council of Harford County, Maryland or may be reserved unto the County Executive as prescribed by such resolution; providing the method of fixing the interest rates to be borne by such bonds and generally providing for and determining various matters in connection therewith; and generally relating to funding of certain capital projects.

By the Council, _____

Introduced, read first time, ordered posted and public hearing scheduled

on: _____

at: _____

By Order: _____, Acting Secretary

PUBLIC HEARING

Having been posted and notice of time and place of hearing and title of Bill having been published according to the Charter, a public hearing was held on _____, and concluded on _____.

_____, Acting Secretary

EXPLANATION:

CAPITALS INDICATE MATTER ADDED TO EXISTING LAW. [BRACKETS] indicate matter deleted from existing law. Underlining indicates language added to Bill by amendment. Language lined through indicates matter stricken out of Bill by amendment.

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1 WHEREAS, in accordance with the provisions of Section 406 of the Charter of
2 Harford County, the Director of Planning has heretofore transmitted to the County
3 Executive the recommendations of the Planning and Advisory Board for certain Capital
4 Improvements; and

5 WHEREAS, in accordance with the provisions of Section 505 of the Charter of
6 Harford County, the County Executive has reviewed such recommendations in light
7 of the existing capital programs and the County Executive and the Director of
8 Administration have included such recommendations for capital improvements, as
9 amended, in the proposed Capital Program which has been submitted to the County
10 Council of Harford County, Maryland and the County Council of Harford County,
11 Maryland has adopted the Capital Program and Capital Budgets for the years ended
12 June 30, 1994, pursuant to Bill No. 93-20, as amended and for the year ending
13 June 30, 1996, pursuant to Bill No. 95-22, as amended and for the year ending
14 June 30, 1997, pursuant to Bill No. 96-20, as amended; and

15 WHEREAS, upon request of the County Executive and Resolution of the County
16 Council of Harford County, Maryland, Harford County may sell bond anticipation
17 notes in an amount not greater than the amount of bonds authorized herein, in
18 anticipation of the subsequent sale of the bonds, for all or a portion of the cost of the
19 projects described herein in accordance with the provisions of Article 31, Section 12

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1 of the Annotated Code of Maryland (1993 Replacement Volume and 1995
2 Supplement); and

3 WHEREAS, as a part of the said Capital Program and the said Capital Budget,
4 it is necessary that Harford County, Maryland, borrow a sum not exceeding One
5 Million Seven Hundred Eight Thousand Seven Hundred Dollars
6 (~~\$1,700,000~~1,708,700) to be used to finance the cost of the design, study and
7 acquisition, construction, reconstruction, improvement, extension, site acquisition,
8 architectural and engineering services, and furnishings and equipment for the Project,
9 including financial, legal and planning expenses related thereto; and

10 WHEREAS, the County Council of Harford County, Maryland has authority to
11 incur debts on behalf of the County; and

12 WHEREAS, the County Council of Harford County, Maryland is hereby
13 authorized to enact an Ordinance adopted in accordance with Section 524 of the
14 Charter of Harford County and other applicable provisions of law providing for the
15 issuance and sale and for the designation, form, tenor, denomination, maturities, and
16 the interest rates payable on any bonds or other form of indebtedness issued under
17 this Ordinance; and to levy annually *ad valorem* taxes upon the assessable property
18 within the county sufficient, together with other taxes and other available funds, to
19 provide for the payment of the interest on and principal of any bonds so issued; and

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1 WHEREAS, the proposed bond issue or other form of indebtedness is within the
2 legal limitation on the indebtedness of Harford County, Maryland; and

3 WHEREAS, it is necessary to provide funds for the construction,
4 reconstruction, improvement, extension, acquisition, alteration, repair and
5 modernization, the cost of acquiring any sites, making site improvements,
6 architectural and engineering services, including preparation of plans, drawings and
7 specifications, the development of the grounds and landscaping thereof, financial,
8 legal and planning expenses and all customary appurtenances and equipment for the
9 Projects; and

10 WHEREAS, after written recommendation of the County Executive, public
11 hearing and affirmative vote of at least four (4) members of the County Council of
12 Harford County, Maryland, the capital budgets authorizing the Project has been
13 amended and adopted; and

14 WHEREAS, the financing or indebtedness herein authorized, including the
15 aggregate principal amount of bonds or other indebtedness in an amount not to
16 exceed One Million Seven Hundred Eight Thousand Seven Hundred Dollars
17 (~~\$1,700,000~~1,708,700), and interest rate(s), shall be evidenced and incurred
18 pursuant to a resolution or resolutions ("Resolution") to be adopted by the County
19 Council of Harford County, Maryland upon written recommendation of the County
20 Executive, pursuant to this Ordinance and other terms of sale, including, but not

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1 limited to maturity schedule, redemption provisions, form of bond, and date of sale
2 shall be determined by the County Executive of Harford County, Maryland by
3 Executive Order; and

4 WHEREAS, the County anticipates that the loan herein authorized will be made
5 through the United States Department of Agriculture, Department of Rural Economic
6 and Community Development.

7 NOW, THEREFORE, IN ACCORDANCE WITH THE PROVISIONS OF THE
8 CHARTER, THE CODE AND THE LAWS OF THE STATE OF MARYLAND:

9 SECTION 1. Be it enacted by the County Council of Harford County, Maryland
10 that, acting pursuant to the authority of the Charter, the Code and the laws of the
11 State of Maryland, Harford County, Maryland (the "County") hereby authorizes and
12 approves the incurring of debt or the payment of purchase price or rental installments
13 for the purpose of financing a portion of the capital cost of the Project in the amount
14 of One Million Seven Hundred Eight Thousand Seven Hundred Dollars
15 (~~\$1,700,000~~1,708,700). The bonds shall be known and described as Harford
16 County, Maryland Whiteford Area Sewer Project Bonds.

17 SECTION 2. And be it further enacted by the County Council of Harford
18 County, Maryland that prior to the issuance, sale and delivery of any bonds, bond
19 anticipation notes, notes, evidences of indebtedness, line of credit, financing lease
20 or installment purchase obligation in reliance on this Ordinance, the County Council

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1 of Harford County, Maryland shall (without limitation) determine administratively in
2 the Resolution:

3 (a) the form of instruments or agreements by which the debt or
4 financing authorized herein shall be evidenced (including, but not limited to, bonds,
5 bond anticipation notes, notes, book entry, community participation bonds, letters of
6 credit, trust agreements, trust indentures, financing or installment purchase lease or
7 similar financing agreement, or participation in any "bond bank" or bond pooling
8 arrangement administered by the State of Maryland or a subsidiary entity of it);

9 (b) the manner, if any, by which any indebtedness or financing shall be
10 secured by revenues, assessments, benefit assessments, hook up charges,
11 development fees and other revenues and receipts of the water and sewer operations
12 of the County or other revenues of the County used or dedicated to pay interest
13 and/or principal on debt of the County incurred for water or sewer purposes,
14 including, but not limited to, a letter or letters of credit, bond or other such insurance
15 and a pledge of the full faith and credit and unlimited taxing power of the County);

16
17 (c) the rate or rates of interest or method of determining such rate or
18 rates; and

19 (d) whether the financing is to be accomplished by public sale, private
20 (negotiated) sale or by private placement.

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1 The Resolution shall be deemed to be of an administrative nature and shall be
2 effective upon the date specified in the Resolution.

3 SECTION 3. And be it further enacted by the County Council of Harford
4 County, Maryland that the County Executive of Harford County, Maryland shall
5 determine the following matters by Executive Order:

6 (a) the principal amounts, date, denominations, maturity payment
7 provisions and prepayment, tender and/or redemption provisions (if any) and other
8 terms and conditions thereof;

9 (b) the substantially final form and contents and consent to the
10 distribution (and shall authorize the execution and delivery, where applicable) of
11 various agreements and documents as are necessary to implement the financing
12 authorized herein, including, but not limited to, a Preliminary Official Statement and/or
13 an Official Statement if deemed appropriate by the County Executive, and in the event
14 any evidence of indebtedness is sold through competitive bidding, a Notice of Sale,
15 and in the event any evidence of indebtedness is sold by private (negotiated) sale, a
16 Purchase Contract with the Underwriter(s) thereof, and if any indebtedness is issued
17 in book entry form, securities depository agreements, (collectively the "Documents"),
18 required for the issuance, sale and delivery of any evidence of indebtedness or the
19 completion of the financing authorized herein, which Documents shall contain such
20 provisions as may be required by law or to consummate the financing authorized
21 herein;

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1 (c) the manner in which any evidence of indebtedness, lease financing
2 or installment purchase obligation shall be executed, sealed and attested (which may
3 be by facsimile signature and/or seal);

4 (d) provision for the payment of all necessary expenses of preparing,
5 printing and selling any evidence of indebtedness and the Documents including,
6 without limitation, any and all costs, fees and expenses incurred by or on behalf of
7 the County in connection with the authorization, issuance, sale and delivery of any
8 bonds or notes, and all costs incurred in connection with the development of the
9 Documents, including the fees of counsel to the County, and compensation to any
10 persons (other than full-time employees of the County) or entities performing services
11 for or on behalf of the County in connection therewith and in connection with all
12 other transactions contemplated by this Ordinance regardless of whether the
13 proposed financing is consummated;

14 (e) such other matters in connection with the consummation of the
15 financing transactions contemplated by this Ordinance as may be deemed appropriate
16 by the County Executive of Harford County, Maryland, including (without limitation)
17 the appointment of agents (including, but not limited to, trustees, paying agents,
18 indexing agents and/or registrars) in connection with the financing, the execution,
19 acknowledgment, sealing and delivery of such other and further agreements,
20 documents and instruments, and the authorization of the officials of the County to
21 take any and all actions, as are or may be necessary or appropriate to consummate

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1 the transactions contemplated by this Ordinance in accordance with the terms hereof
2 and of the Resolution.

3 The Executive Order shall be effective upon the date specified in the Executive
4 Order.

5 SECTION 4. And be it further enacted by the County Council of Harford
6 County, Maryland that authority is hereby conferred respectively on the County
7 Executive of the County, the Director of Administration, the Treasurer, the County
8 Attorney and the Secretary of the County Council of Harford County, Maryland, or
9 any of them, and they are hereby directed to take the following actions on behalf of
10 the County:

11 (a) to execute, acknowledge, seal and deliver the Documents
12 substantially in the forms determined administratively by the County Council of
13 Harford County, Maryland in the Resolution; and

14 (b) to execute, acknowledge, seal and deliver such other and further
15 certificates, certifications, agreements, documents and instruments and take such
16 other acts as they or any one or more of them may deem necessary or appropriate
17 to consummate the transactions contemplated by this Ordinance in accordance with
18 the provisions hereof and of the Resolution.

19 SECTION 5. And be it further enacted by the County Council of Harford
20 County, Maryland that the Treasurer, or his authorized deputy, is hereby authorized
21 and empowered to prepare and distribute copies of the Documents to any person who

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1 may, in his judgment, be interested in participating in the financing of the Project or
2 who may request the same or information with respect thereto; provided, however,
3 that any preliminary official statement if deemed appropriate by the County Executive
4 and related material shall be clearly marked to indicate that they are subject to
5 completion and amendment.

6 SECTION 6. And be it further enacted by the County Council of Harford
7 County, Maryland that, to the extent the revenues described in Section 2 of this
8 Ordinance is insufficient to pay the principal of and interest on the indebtedness
9 herein authorized, the County hereby covenants and agrees, with each of the holders,
10 from time to time, of any of the bonds or other indebtedness, that it shall promptly
11 cause to be levied against all assessable property within the County annually, so long
12 as any of the bonds or other indebtedness are outstanding and not paid, an *ad*
13 *valorem* tax sufficient in rate and amount to provide for payment of such principal of,
14 premium (if any) and interest on the bonds or other indebtedness when due. Such
15 tax shall be levied in accordance with the Charter. The County, by the passage of
16 this Ordinance, hereby covenants and agrees properly and promptly to perform all of
17 the respective acts and duties defined in the Charter for the levy and collection of the
18 aforesaid *ad valorem* tax upon all the assessable property within the corporate limits
19 of the County, as the levy and collection of such a tax becomes necessary in order
20 to provide for the payment of principal of, premium (if any) and interest on the bonds
21 or other indebtedness.

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1 SECTION 7. And be it further enacted by the County Council of Harford
2 County, Maryland that if the County Council of Harford County, Maryland determines
3 in the Resolution that it is in the best interests of the County to sell any evidence of
4 indebtedness or lease financing or installment purchase obligation by private
5 (negotiated) sale, the County Council of Harford County, Maryland hereby authorizes
6 (a) the appointment of an underwriter (the "Underwriter") in connection with the sale
7 thereof, and (b) the payment by the County to the Underwriter out of the proceeds
8 of the sale thereof or otherwise for services rendered in connection therewith, such
9 compensation to be determined in the Resolution.

10 SECTION 8. And be it further enacted by the County Council of Harford
11 County, Maryland that the County Executive is hereby authorized and empowered for
12 and on behalf of the County (a) to cause the preparation, printing, execution and
13 delivery of the Documents, each substantially in the form provided in the Resolution
14 or in the Executive Order of the County Executive, with such modifications,
15 supplements or amendments thereto as may be recommended by counsel; and (b) to
16 do all such things as may be necessary or desirable in the opinion of the County
17 Executive in connection therewith.

18 SECTION 9. And be it further enacted by the County Council of Harford
19 County, Maryland that nothing herein contained shall authorize the expenditure of
20 County funds until such time as such expenditure shall have been appropriated by the
21 County Council of Harford County, Maryland, and this Ordinance shall not be

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1 construed as authorizing or approving any project not otherwise authorized or
2 approved by all appropriate legal authorization.

3 SECTION 10. And be it further enacted by the County Council of Harford
4 County, Maryland that unless changed by the Resolution or the Executive Order, if
5 the indebtedness herein authorized is represented by bonds: the bonds shall be
6 issued pursuant to the authority of this Ordinance, the date of the bonds for a term
7 not to exceed thirty (30) years shall be determined by resolution of the County
8 Council based upon the written recommendation of the County Executive.

9 SECTION 11. Be it further enacted by the County Council of Harford County,
10 Maryland that if the indebtedness herein authorized is represented by bonds, the
11 bonds shall bear interest at the rate or rates (i) if the bonds are sold at public sale,
12 named by the successful bidder for the bonds in accordance with the Notice of Sale,
13 upon written recommendation of the County Executive of Harford County, Maryland
14 (the "County Executive"), by administrative resolution of the County Council of
15 Harford County, Maryland, or (ii) if the bonds are sold at private sale, at a rate and
16 subject to such terms and provisions as may be approved by the County Council of
17 Harford County, Maryland. The bonds, when issued, may be executed in the name
18 of the County, by the facsimile signature of the County Executive, and a facsimile of
19 the corporate seal of the County shall be imprinted on each of the bonds attested by
20 the facsimile signature of the Director of Administration of the County and the manual
21 signature of an authorized officer of the Bond Registrar. The facsimiles of said

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signature and said seal shall be engraved, printed or lithographed on each of the bonds in accordance with, and pursuant to the authority of Sections 2-301 through 2-306 inclusive of the State Finance and Procurement Article of the Annotated Code of Maryland (1995 Replacement Volume and 1995 Supplement). If the indebtedness is represented by bonds, the bonds shall be subject to registration as to principal and interest, in the name or names of the owner or owners thereof on books kept for that purpose at the principal office of the Bond Registrar and the principal of the bonds shall be payable upon presentation and surrender thereof at the principal office of the Paying Agent or the ownership of the indebtedness may, pursuant to Executive Order of the County Executive, be maintained by a book entry system. The Bond Registrar and Bond Paying Agent shall be determined by Executive Order of the County Executive. Payment of interest on the bonds shall be made by the Paying Agent on each payment date, to each person appearing on the registration books of the County, maintained by the Bond Registrar, as the registered owner thereof, by check or draft mailed to each such registered owner at his or her address as it appears on such registration books. There shall be printed on each bond the text of the approving legal opinion of bond counsel with respect to the bonds.

SECTION 12. Be it further enacted by the County Council of Harford County, Maryland that if the indebtedness herein authorized is represented by bonds sold at public sale, the bonds shall be sold by bids on sealed proposals to the bidder therefor for cash whose bid is deemed to be for the best interest of Harford County, Maryland,

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1 after giving at least ten (10) days' public notice by advertisement inserted twice in
2 one or more daily or weekly newspapers having a general circulation in the County,
3 said sale to be held not sooner than ten (10) days following the first insertion of said
4 advertisement. The Award of the Bonds if sold at public sale, if made, shall be
5 approved by resolution of the County Council of Harford County, Maryland after
6 written recommendation of the County Executive, to the bidder offering the lowest
7 interest cost determined in accordance with the true interest cost method (TIC). The
8 sale of the bonds, shall be held at the office of the Treasurer of Harford County,
9 Maryland, or on such date and at such time and location as may be provided by
10 Executive Order of the County Executive of Harford County, Maryland.

11 SECTION 13. Be it further enacted by the County Council of Harford County,
12 Maryland that the official Notice of Sale if deemed appropriate by the County
13 Executive shall be in substantially the form approved by Executive Order of the
14 County Executive of Harford County, Maryland.

15 SECTION 14. Be it further enacted by the County Council of Harford County,
16 Maryland that if the bonds are purchased by United States Department of Agriculture,
17 Department of Rural Economic and Community Development, the indebtedness
18 thereby incurred shall be substantially in the form described in the correspondence
19 from the United States Department of Agriculture, Rural Economic and Community
20 Development Department dated February 14, 1996 and attached hereto as Exhibit A.

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1 SECTION 15. Be it further enacted by the County Council of Harford County,
2 Maryland that, to the extent the revenues described in Section 2 of this Ordinance are
3 insufficient to pay the principal of and interest on the Bonds, for the purpose of
4 paying the interest on, premium, (if any) and principal of the bonds or other
5 indebtedness authorized by this Ordinance, there is hereby levied and there shall
6 hereafter be levied in each fiscal year that any of the bonds or other indebtedness are
7 outstanding, *ad valorem* taxes on real and tangible personal property and intangible
8 property subject to taxation by the County without limitation on rate or amount; and,
9 in addition, upon such other intangible property as may be subject to taxation by the
10 County within limitations prescribed by law, in an amount sufficient together with
11 funds available from other sources, to pay the annual interest on the outstanding
12 bonds or other indebtedness and to redeem the bonds or other indebtedness maturing
13 during the succeeding year; and the full faith and credit and the unlimited taxing
14 power of the County are hereby irrevocably pledged to the punctual payment of the
15 principal of and interest on the bonds or other indebtedness as and when they
16 mature. The County, Maryland, by the passage of this Ordinance hereby covenants
17 and agrees properly and promptly to perform all of the respective acts and duties
18 defined in this Ordinance for the levy and collection of the aforesaid *ad valorem* tax
19 upon all the assessable property within the corporate limits of the County, as the levy
20 and collection of such a tax becomes necessary in order to meet the debt service
21 requirements of Harford County Whiteford Area Sewer Project Bonds of 1997. By

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1 this Ordinance, the County agrees to take all action it may be legally authorized and
2 empowered to take in order to enforce, in any year in which any of the bonds or
3 other indebtedness are outstanding, the guarantee of such bonds or other
4 indebtedness by the County.

5 SECTION 16. Be it further enacted by the County Council of Harford County,
6 Maryland that the County is hereby authorized and empowered from time to time to
7 issue its Bond Anticipation Note or Notes on the full faith and credit and unlimited
8 taxing power of the County in an amount not exceeding One Million Seven Hundred
9 Eight Thousand Seven Hundred Dollars (~~\$1,700,000~~1,708,700), the net proceeds of
10 such sale to be used to finance part or all of the cost of the Projects; the sale of such
11 Notes to be upon such terms as may be directed by resolution of the County Council
12 of Harford County, Maryland.

13 Such Bond Anticipation Note or Notes or other evidence of indebtedness shall
14 not have a maturity in excess of twelve (12) months from the date of issue.

15 The Treasurer of Harford County, Maryland, prior to the issuance of any such
16 Bond Anticipation Note or Notes or other evidence of indebtedness of the County
17 shall present the terms of such notes to the County Council of Harford County,
18 Maryland for approval by Resolution of the County Council of Harford County,
19 Maryland prior to the issuance of such Bond Anticipation Note or Notes.

20 The Bond Anticipation Note or Notes will bear interest at the rate or rates so
21 negotiated by the Treasurer and approved by Resolution of the County Council of

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1 Harford County, Maryland and the Bond Anticipation Note or Notes when issued shall
2 be issued in the name of the County by the signature of the County Executive, the
3 corporate seal of the County shall be imprinted on such Bond Anticipation Note or
4 Notes and such Bond Anticipation Note or Notes shall be used only for those
5 purposes approved in a Resolution of the County Council of Harford County, Maryland
6 adopted subsequent to the adoption of this Ordinance.

7 The Bond Anticipation Note or Notes shall not be issued in an amount greater
8 than the amount of bonds or other indebtedness authorized in anticipation of the sale
9 of which the Bond Anticipation Note or Notes are issued and sold.

10 The principal of and interest on the Bond Anticipation Note or Notes shall be
11 payable out of the first proceeds of sale of the bonds, or from the tax or other
12 revenue which the County shall previously determine to apply to the payment of the
13 bonds and interest thereon.

14 Twelve (12) months interest on the Bond Anticipation Note or Notes or any
15 renewal thereof may be paid from the proceeds of the Bond Anticipation Note or
16 Notes from the proceeds of sale of the bonds accounting from the initial date of issue
17 thereof.

18 By resolution adopted by the County Council of Harford County, Maryland, the
19 County may provide for the renewal of the Bond Anticipation Note or Notes at
20 maturity with or without resale.

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1 Immediately after the sale of the Bond Anticipation Note or Notes and approval
2 by resolution of the County Council of Harford County, Maryland, the proceeds of
3 sale of such Bond Anticipation Note or Notes, after payment of expenses of issuing
4 the same, shall be paid to the Department of the Treasury of Harford County,
5 Maryland. The proceeds of sale of the Bond Anticipation Note or Notes shall be
6 expended only to finance the Projects as defined above.

7 SECTION 17. Be it further enacted by the County Council of Harford County,
8 Maryland that pursuant to Treasury Regulations 1.150-2, governing the use of bond
9 proceeds for the purpose of reimbursing expenditures paid prior to the issuance of
10 bonds, and as permitted by Treasury Regulations 1.150-2(e)(1), the Treasurer of
11 Harford County, Maryland is hereby duly designated to make declarations of Official
12 Intent on behalf of the County. The County expects that all or a part of the capital
13 expenditures for the Projects will be paid prior to the issuance of the Bonds, and that
14 the proceeds of the Bonds will be used to reimburse the County for capital
15 expenditures paid prior to the issuance of the Bonds. The County reasonably expects
16 to reimburse a portion of the capital expenditures for the Projects with proceeds of
17 the Bonds, in the maximum principal amount of One Million Dollars (\$1,000,000), and
18 this Ordinance shall be available for public inspection at the offices of the County
19 during regular business hours and in accordance with the laws of the State of
20 Maryland and the County, regarding access to public records.

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1 SECTION 18. Be it further enacted by the County Council of Harford County,
2 Maryland that the County covenants and agrees with the registered owners, from
3 time to time, of the Bonds as follows:

4 (a) The County covenants that it will not make any use of the proceeds
5 of any of the Bonds or any moneys, securities or other obligations on deposit to the
6 credit of the County or otherwise which may be deemed by the Internal Revenue
7 Service to be proceeds of any of the Bonds pursuant to the Internal Revenue Code
8 of 1986, as amended, and Income Tax Regulations thereunder (collectively, the
9 "Code"), which would cause any of the Bonds to be "arbitrage bonds" or "private
10 activity bonds" within the meaning of the Code.

11 (b) The County further covenants that it will comply with those
12 provisions of the Code which are applicable to the Bonds on the date of issuance of
13 the Bonds and which may subsequently lawfully be made applicable to the Bonds.
14 To the extent that provisions of the Code apply to only a portion of the Bonds,
15 proceeds of the Bonds or other moneys, securities or other obligations deemed to be
16 proceeds, it is intended that the covenants of the County contained in this Section
17 18 be construed so as to require the County to comply with the provisions of the
18 Code only to the extent of such applicability.

19 (c) The County further covenants that it will not (i) take any action, (ii)
20 fail to take any action, or (iii) make any use of the proceeds of any of the Bonds

BILL NO. 96-30 (As Amended)

1 which would cause the interest on any of the Bonds to be or become subject to
2 federal income taxes in the hands of the registered holders of any of the Bonds.

3 (d) The County further covenants, in order to assist bidders in
4 complying with S.E.C. Rule 15c2-12(b)(5), pursuant to a continuing disclosure
5 certificate (the "Continuing Disclosure Certificate") signed by the County Executive,
6 Treasurer and Director of Administration, to provide annual reports and notices of
7 certain events. The undertaking of the County in the Continuing Disclosure
8 Certificate shall be set forth in any Preliminary Official Statement and Official
9 Statement if deemed appropriate by the County Executive and any amendment or
10 supplement thereto.

11 SECTION 19. Be it further enacted by the County Council of Harford County,
12 Maryland that upon recommendation of the County Executive, the County Council of
13 Harford County, Maryland may adopt a resolution pursuant to Article 31, Section 2C
14 of the Annotated Code of Maryland (1993 Replacement Volume and 1995
15 Supplement) authorizing the loan authorized to be incurred and the bonds authorized
16 to be sold by this Ordinance, to be consolidated for sale and issued, sold and
17 delivered as a single issue of bonds with other bonds authorized to be sold to finance
18 capital projects described in the Annual Budget and Appropriation Ordinances, as
19 amended.

20 SECTION 20. Be it further enacted by the County Council of Harford County,
21 Maryland that the provisions of this Ordinance are severable, and if any provision,

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1 sentence, clause, section or part hereof is held illegal, invalid or unconstitutional or
2 inapplicable to any person or circumstances, such illegality, invalidity or
3 unconstitutionality, or inapplicability shall not affect or impair any of the remaining
4 provisions, sentences, clauses, sections or parts of this Ordinance or their application
5 to other persons or circumstances. It is hereby declared to be the legislative intent
6 that this Ordinance would have been passed if such illegal, invalid or unconstitutional
7 provision, sentence, clause, section or part had not been included herein, as if the
8 person or circumstances to which this Ordinance or any part hereof are inapplicable
9 had been specifically exempted therefrom.

10 SECTION 21. And be it further enacted by the County Council of Harford
11 County, Maryland that this Ordinance shall take effect sixty (60) calendar days from
12 the date it became law.

13 EFFECTIVE: August 26, 1996

TLM\B:\HARFORD CO. WHITEFORD\AMEND.BOD

96-30

AS AMENDED

HARFORD COUNTY BILL NO. 96-30

(Brief Title) Whiteford-Cardiff Sewerage Project -
Loan Agreement

is herewith submitted to the County Council of Harford County for enrollment as being the text as finally passed.

CERTIFIED TRUE AND CORRECT

ENROLLED

James D. Vannoy
Acting Secretary
of the Council

James D. Vannoy
President of the Council

Date June 20, 1996

Date June 20, 1996
JS

BY THE COUNCIL

Read the third time.

Passed: LSD 96-20 (June 20, 1996)

Failed of Passage: _____

By Order

James D. Vannoy
Acting Secretary

Sealed with the County Seal and presented to the County Executive for approval this 24th day of June, 1996 at 3:00 p. m.

James D. Vannoy
Acting Secretary

BY THE EXECUTIVE

Edwin M. Redman
COUNTY EXECUTIVE

APPROVED: Date June 27, 1996

BY THE COUNCIL

This Bill (No. 96-30 (as amended)), having been approved by the Executive, and returned to the Council, becomes law on June 27, 1996.

James D. Vannoy
Acting Secretary

EFFECTIVE DATE: August 26, 1996

96-30

AS AMENDED